BENEDICT, ADM. PRAC., 3 ed., 91 *et seq.* Since international uniformity is peculiarly desirable in admiralty matters, it is to be regretted that the court, with the wiser foreign rule before it, was bound by its old decisions.

ALIENS — PREFERENCE GIVEN TO LOCAL CREDITORS BY STATE COURTS. — A, a foreigner, brought a tort action against B, an insolvent foreigner in Wisconsin, at the same time garnisheeing B's account in the X bank. After A had obtained judgment against B, C, a citizen of Wisconsin, sued B, and intervened in the garnishment process. Judgment was given for C. A appealed to the United States Supreme Court. *Held*, that such discrimination by a state in favor of its citizens is a matter of state policy, and is not unconstitutional. *Disconto Gesellschaft* v. *Umbreit*, 208 U. S. 570.

Before the National Bankruptcy Act many states adopted a policy of discrimination against non-resident creditors in favor of their citizens. Thus, where a debtor made a voluntary assignment and owned property in another state, only citizens of that state could attach the property. *Bacon* v. *Horne*, 123 Pa. St. 452; *contra*, *Paine* v. *Lester*, 44 Conn. 196; see 7 HARV. L. REV. 281. Nor could the assignee pursue his claims to the detriment of resident creditors. *Hunt* v. *Columbian Ins. Co.*, 55 Me. 290. Since the constitutionality of this policy was upheld, *a fortiori* discrimination against a foreigner would not be unconstitutional. This case was decided in the state court on the ground that, since the court could refuse to entertain a tort action between two foreigners, it would refuse to allow a foreign creditor to withdraw funds from the state when the claims of intervening domestic creditors were unsatisfied. *Disconto Gesellschaft* v. *Umbreit*, 127 Wis. 651. But the right of an alien to sue an alien for a foreign tort is a common law right and not within the discretion of the court. 1 WHART., CONF. OF L., 5, 64. To limit this right seems a clear case of judicial legislation, but it is certainly not a discrimination within the Fourteenth Amendment.

ARBITRATION AND AWARD — REVOCATION OF SUBMISSION TO ARBITRATION BY DEATH OF A PARTY. — A building contract contained a condition that any dispute between the parties as to the price to be paid for extras should be submitted to arbitration. A dispute having arisen, the submission was made a rule of court. Before final award was made one of the parties died. *Held*, that the proceedings can be continued by the personal representatives of the deceased. *In the Matter of an Arbitration between Donovan and Burke*, 42 Ir. L. T. 68 (Ire., K. B. D., Feb. 3, 1908).

At common law a submission to arbitration was revocable at the will of either party at any time before the award was finally made. *Green* v. *Pole*, 6 Bing. 443. This was so even when the submission was made a rule of court. *Skee* v. *Coxon*, 10 B. & C. 483. The arbitrator being only an agent, it was held that his authority, and hence the submission, was revoked by the death of one of the parties, unless there was in the submission an express clause to the contrary. *Blundell* v. *Brettargh*, 17 Ves. 232. The principal case is therefore clearly opposed to the English common law under which it admittedly should have been decided. In England the matter is now largely covered by statutes which provide that after the appointment of an arbitrator, the death of either of the parties shall not operate as a revocation. See RUSSELL, ARBITRATION, 9 ed., 129, 131. Statutory provisions of this nature are common in the United States, but in the absence of statute the courts have followed the English common law doctrine that the submission is revoked by the death of either party. *Gregory* v. *Boston Safe Deposit, etc., Co.*, 36 Fed. 408.

BANKRUPTCY — DISCHARGE — OBTAINING MONEY BY FALSE STATEMENT IN WRITING. — The plaintiff obtained from the defendant a loan of money on the faith of a materially false statement in writing. § 14 *b* (3) of the Bankruptcy Act of 1898 as amended in 1903 provides that a bankrupt "obtaining property on credit . . . upon a materially false statement in writing" shall be denied a discharge. *Held*, that the plaintiff is not entitled to a discharge. *In re Pfaffinger*, 19 Am. B. Rep. 309 (C. C. A., Sixth Circ., Jan. 1908).

It is said that the words of a statute are to be taken in the sense in which they will be understood by that public in which they are to take effect. *United States* v. *Isham*, 17 Wall. (U. S.) 496. And as the phrase "obtaining property on credit" does not ordinarily import to the commercial public a borrowing of money on time, it is argued that procuring cash by false statements is not cause for denying discharge. COLLIER, BANKRUPTCY, 6 ed., 198. But the law recognizes property in cash. And statutes defining the offense of obtaining property by false pretenses do not distinguish property in cash from property in other forms. See *State* v. *Rowley*, 12 Conn. 101. Money, then, clearly comes within the terms of the Act. Also in other sections of the Act "property" has been held to include money. See *Pirie* v. *Chicago, etc., Co.*, 182 U. S. 438. As nothing in the Act shows that the intention of Congress was to favor bankrupts who operate in cash, the present case must be supported. See *In re Dresser & Co.*, 144 Fed. 318.

BANKRUPTCY — POWERS AND DUTIES OF TRUSTEE — RECOVERY OF FRAUDULENTLY TRANSFERRED PROPERTY. — A trustee in bankruptcy filed a bill in equity to have a fraudulent transfer from the bankrupt to the defendant set aside. The defendant pleaded in bar that the complainant, with full knowledge of the facts, had ratified the transfer by obtaining a judicial order requiring the bankrupt to turn over the balance of the amount received from the defendant for the transferred property and unaccounted for. *Held*, that the plea is a valid defense. *Thomas* v. *Sugerman*, 157 Fed. 669 (C. C. A., Second Circ.).

The court relies on the doctrine of equitable estoppel, as found in cases of conversion, where a plaintiff, having first brought an action *ex contractu*, is held to have elected to pass title, so that he cannot thereafter recover for the conversion. *Terry* v. *Munger*, 121 N. Y. 161. The analogy is specious rather than convincing. For the case does not seem to present an election by the trustee between inconsistent rights. On the contrary, he is but carrying out two statutory duties: the one, to collect property in the possession of the bankrupt; the other, to proceed against the bankrupt's fraudulent grantees. Indeed, if he neglects the former, he may be liable in damages. *In re Reinboth*, 157 Fed. 672; see 21 HARV. L. REV. 441. A trustee's authority under the Bankruptcy Act is closely restricted, and the sole provision for his passing title is under § 70 *c*, on a sale of bankrupt property. It scarcely seems within the spirit of the Act to argue that a trustee, by merely performing a duty, has ratified the bankrupt's fraudulent transfer and made a sale to the detriment of the creditors.

BANKRUPTCY — PREFERENCES — PAYMENT TO PUBLIC AGENT FOR HIS PRINCIPAL. — A bankrupt preferred a town, making the payment to the township trustees, an office created by statute, and given power to sue and be sued on certain contracts. The trustees knew of the bankruptcy. *Held*, that they are liable to the bankrupt's assignee. *Painter* v. *Napoleon Township*, 156 Fed. 289 (Dist. Ct., N. D. Oh.). See NOTES, p. 534.

BANKRUPTCY — RIGHTS AND DUTIES OF BANKRUPT — EFFECT OF ADJUDICATION ON TITLE TO BANKRUPT'S PROPERTY BEFORE APPOINTMENT OF TRUSTEE. — The plaintiff's property was insured by the defendant company. The policy contained a condition that the policy should become void if any change took place in interest, title, or possession. After the plaintiff had been adjudicated a bankrupt, but before the appointment of a trustee, the property was destroyed. *Held*, that the policy has not become void. *Gordon* v. *Mechanics', etc., Ins. Co.*, 45 So. 384 (La.). See NOTES, p. 531.

BILLS AND NOTES — FICTITIOUS PAYEE — EFFECT OF DRAWER'S INTENTION. — The plaintiff, on the fraudulent representation of A, and to pay for shares of stock alleged to be for sale by B, drew a check payable to the order of B, who was ignorant of the transaction and had no such stock. A then indorsed the check, using the payee's name, to the defendant bank, a *bona fide*